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U.S. Interstate Commerce
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Explanatory text and
summary statement...

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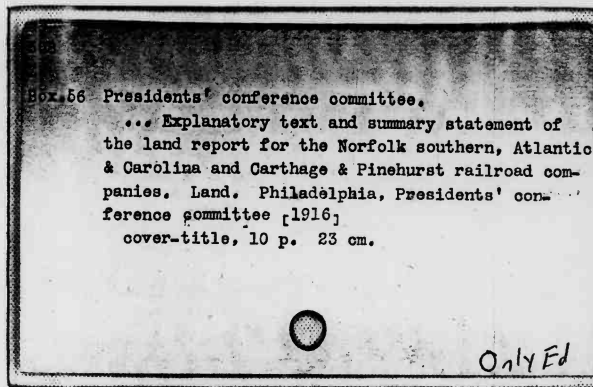
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EXPLANATORY TEXT AND SUMMARY STATEMENT

OF THE

LAND REPORT

FOR THE

**NORFOLK SOUTHERN, ATLANTIC & CAROLINA
AND CARTHAGE & PINEHURST
RAILROAD COMPANIES**

LAND

OFFICE OF
GENERAL SECRETARY
PRESIDENTS' CONFERENCE COMMITTEE
PHILADELPHIA, PA.

EXPLANATORY TEXT AND SUMMARY STATEMENT OF THE
LAND REPORT FOR THE NORFOLK SOUTHERN,
ATLANTIC & CAROLINA AND CARTHAGE
& PINEHURST RAILROAD COMPANIES.

WASHINGTON, D. C., June 3, 1916.

SUPERVISOR OF LAND APPRAISALS,
Division of Valuation, Interstate Commerce Commission,
Washington, D. C.

SIR:

Herewith I respectfully submit the result of my investigation concerning the ascertainment of the value of the lands of the Norfolk Southern Railroad Company.

The carrier owns and operates 788.6 miles of railroad, located entirely within the States of Virginia and North Carolina. The main line extends from Norfolk, Va., to Charlotte, N. C., a distance of about 400 miles, and from Chocowinity, N. C., to New Bern, N. C., a distance of thirty-one miles, with branches to Munden, Suffolk, Columbia, Bellhaven, Oriental, Fayetteville, Ashboro, Aberdeen, Ellerbee, Jackson Springs, Euclid, Providence Junction, Elizabeth City, Beckford Junction, Pinetown and Bishop's Cross, and an electric line of 42.9 miles from Norfolk to Virginia Beach and return.

In addition to the lines owned, the carrier operates 107.8 miles, of which 95.9 miles are owned by the Atlantic & North Carolina Railroad Company and 11.9 miles by the Carthage & Pinchurst Railroad Company. The line of the Atlantic & North Carolina Railroad Company extends from Morehead City, N. C., to Goldsboro, N. C., and is operated by the Norfolk Southern Railroad under a lease. The line of the Carthage & Pinchurst Railroad Company extends from Carthage, N. C., to Pinchurst, N. C., and is operated by the Norfolk Southern Railroad under a lease.

In addition to the owned and operated lines of the carrier, above referred to, it has trackage rights over lines of other carriers for a distance of 5.34 miles, but said trackage rights are not reported herein or otherwise referred to in this land valuation.

The area and value of lands owned or operated by the carrier, the present value of which is reported by our appraisers, are as follows:

Class 1 lands. CLASS 1.—Lands owned and used by owner for its purposes as a common carrier:

	ACRES.	VALUE.
State of Virginia—		
Urban lands.....	33.788	\$357,470.00
Rural lands.....	941.365	208,920.52
Total.....	975.153	\$566,390.52
State of North Carolina—		
Urban lands.....	251.105	\$716,807.80
Rural lands.....	8,053.914	707,645.96
Total.....	8,304.909	\$1,424,453.76
Grand total, Class 1.....	9,280.072	\$1,990,844.28

Class 2 lands. CLASS 2.—Lands used by the carrier for its purposes as such, but owned by some other party:

	ACRES.	VALUE.
State of Virginia—		
Urban lands.....	0.000	\$0.00
Rural lands.....	0.000	0.00
Total.....	0.000	\$0.00
State of North Carolina—		
Urban lands.....	130.211	\$483,030.65
Rural lands.....	2,208.732	105,869.28
Total.....	2,338.943	\$588,899.93
Grand total, Class 2.....	2,338.943	\$588,899.93

Class 3 lands. CLASS 3.—Lands owned, but used exclusively by another carrier or other carriers for common carrier purposes:

(The Norfolk Southern Railroad Company owns no Class 3 lands.)

The total area and present value
of Classes 1, 2 and 3 is..... 11,619.015 \$2,579,744.21

CLASS 4.—Non-carrier lands owned:
State of Virginia—

Total Class 4
lands.

	ACRES.	VALUE.
Urban lands.....	29.120	\$56,721.55
Rural lands.....	365.437	134,695.77
Total.....	394.557	\$191,417.32
State of North Carolina—		
Urban lands.....	87.249	\$123,237.93
Rural lands.....	1,782.636	126,315.41
Total.....	1,869.285	\$249,553.34
Grand total, Class 4.....	2,264.442	\$440,970.66

The area and present value of aids, gifts, grants of right of way or donations is divided as follows:

	ACRES.	VALUE.
State of Virginia—		
Sub-Class 1 (a).....	329.086	\$33,019.59
Sub-Class 2 (a).....	0.000	0.00
Sub-Class 4 (a).....	49.578	11,979.70
	378.664	\$44,999.29
State of North Carolina—		
Sub-Class 1 (a).....	2,723.813	\$263,282.70
Sub-Class 2 (a).....	5.059	65,820.00
Sub-Class 4 (a).....	185.967	38,435.09
Total.....	2,914.839	\$367,537.79

Grand total aids, gifts, grants of
right of way or donations..... 3,293.503 \$412,537.08

Value at time of acquisition of lands, etc., not reported. We have been unable to find any method by which we could with any reasonable degree of certainty ascertain the value at the time of acquisition of lands given, granted or donated, and have not reported such value.

Original cost. The report of the Accounting Section is not available at this time to enable us to contrast the original cost with the present value.

Non-carrier buildings on non-carrier lands. At the time of the valuation of the Norfolk Southern Railroad Company's lands, the Land Section had nothing whatever to do with the value of buildings, and nothing appears herein concerning such values.

Affiliated lines not reported. The Norfolk Southern Railroad Company owns stock in certain other railroads and terminal companies, the value of the lands of which is not reported herein. These companies are as follows:

Kinston-Carolina Railroad and Lumber Company (entire stock).
Carolina Railroad Company (entire stock).
Goldsboro Union Station Company.
Norfolk Terminal Railway Company.

Methods. The methods followed in the valuation were those outlined by you in the instructions issued and in effect at the time of the appraisal, and were as follows:

Maps. Personal inspection. 1. The appraisers, by the use of maps and personal inspection, became acquainted with the country traversed by the railroad generally, and with the lands of the carrier and the adjoining and adjacent similar lands, and made a general study of real estate conditions in the territory.

2. An examination and study in detail was made of the carrier's lands and the adjoining and adjacent similar lands, and the non-carrier lands noted.

3. A copy of the non-carrier list was submitted to the carrier for criticism, and the classification discussed with the carrier's representatives.

4. Information from all available sources, official and private, including assessments, sales and opinions, was obtained.

5. Zones of value were established and indicated on the maps.

6. Final unit values of zones were determined. This value is the judgment of the appraisers, based upon investigation and consideration of all applicable elements of value.

7. Areas of zones were ascertained by the computer and checked with original tracings, and are, in practically all instances, agreed upon with the carrier.

8. The completed appraisal was checked and assembled, and rechecked.

The following elements have been considered, and, wherever applicable, allowance made therefor: similarity, location, accessibility, utility, shape, size, corner influence, highway influence, grade, restrictions, physical conditions, transportation facilities, proximity to centres, character of soil, absorption, light, air and ventilation, and such other elements as suggested themselves at the time by the conditions peculiar to the particular location. Nothing has been added to the value of the railroad lands on account of special use as a continuous right of way, nor has anything been added or deducted because of the special use to which the carrier lands are now being devoted.

In ascertaining the value to be applied as a unit to the appraisers' zones of value, the fair market value of similar adjoining or adjacent to the carrier's lands was ascertained, and the unit of value of adjoining or adjacent similar lands constituted the values which were applied to the zones of the carrier's lands.

Sales. Records of transfers, for the past few years, of similar adjoining and adjacent property were obtained. All available sales of land located within a reasonable distance were analyzed. Of these sales, those which reflected value in each zone have been reported on the field forms.

Asking prices ascertained. The asking prices of adjacent or adjoining similar lands offered for sale were investigated and considered.

Allowance for improvements. In analyzing sales of property including improvements, the appraisers ascertained the value of the improvements and allowance was made therefor.

Assessments. Assessments of adjoining and adjacent similar lands were investigated and reported by the appraisers on the field forms, wherever found of value. The appraisers in analyzing assessments ascertained the general ratio of the assessments to the actual or market value of the land, and in arriving at their unit values were only influenced by the information gathered from assessments in proportion to their value as ascertained by analysis. These assessments varied, and the appraisers are of the opinion that in most instances the lack of uniformity and of the assessors' recognition of actual values in making assessments resulted in the assessments being of little aid, except in a few cases.

Analyzed and considered.

Of little aid in most cases.

Opinions.

Opinions were obtained from men whom the appraisers considered to be the best qualified by experience in buying and selling, or by knowledge of actual sales and by general knowledge of real estate conditions and values. In the instances where lands were valuable because of certain local conditions, or because of special adaptation to agricultural or other development, opinions were obtained from persons especially familiar with the natural and general use and development of the properties under consideration. Expressions of opinion from these men were obtained as to unit values per square foot, or per acre, or, where the values expressed covered entire lots or farms, the appraisers either reported the value as such or reduced the same to units.

Obtained from men best informed.

By units.

The territory was divided into zones of value, and usually Zones. The zones were numbered consecutively for each county in a valuation section, beginning with No. 1. Street and highway crossings were zoned separately by the appraisers and these zones were given the same numbers as the zones crossed by the streets or highways, or the zones nearest the streets or highways. These highway zones are identified by the suffix "X," highways marked "X,"

The same rule is applied to navigable waterways and streams, Navigable streams marked "W." and the suffix "W" is used. The zones of land used for purposes other than those of a common carrier bear the same Non-carrier number as the adjoining or nearest carrier zone, followed by the letters "A," "B," "C," etc., according to the number of such parcels in each zone.

The present market value per acre or square foot of adjoining Unit Values. or adjacent similar naked lands was ascertained and applied to the zones of the carrier's lands. As a general rule, city Obtained as to property is expressed in square foot units, and country right of adjoining similar land. way in per acre units. The units of value were determined by the appraisers and are placed upon the maps in each zone and recorded in the field forms.

The lands of the carrier have been classified by the appraisers Classification of lands. either as owned or used for the purposes of a common carrier, or as held for purposes other than those of a common carrier, but in the summary form they have been classified as hereinbefore shown.

The assembly shows separately and in detail lands held for Non-carrier purposes other than those of a common carrier, and the reasons lands. for such classification. The carrier has been notified of the classification as reported by our appraisers, and in nearly all instances has expressed its approval of the same. There may be, however, either as the result of supplemental rulings affecting the classification of lands, a few changes in the classification of lands as now reported. The correspondence with the carrier Correspondence on this subject is on file in the district office and separated by valuation sections. with carrier.

Computation
of areas.

The areas of the lands of the carrier in zones established by the appraisers were ascertained by our computer, by actual scaling on the blue prints furnished by the carrier, and were later checked and proven with the final tracings of the carrier.

Streets, alleys,
etc., and
navigable
streams.

No value has been allowed the carrier for the land within any street, alley or highway, or for the bed of any navigable stream.

Aids, gifts,
grants of right
of way or
donations.

The carrier, pursuant to Order No. 16, filed schedules of aids, gifts, grants of right of way or donations. The schedules filed were of some assistance but were incomplete. With these schedules, supplemented by information obtained from D. V. forms No. 107, filed by the carrier under Order No. 7, the assembly of aids, gifts, grants of right of way or donations was compiled in the district office. It includes all lands the carrier has reported as aids, gifts, grants of right of way or donations, supplemented by such other parcels, the deeds for which recited only nominal considerations. It was assumed that the consideration stated in the deed accurately represented the amount paid, unless it appeared that more than a nominal sum had been paid by examination of the books and records of the carrier.

Carrier's list
supplemented
by Forms 107.

Ordinances,
franchises, etc.

Ordinances, franchises and similar rights granted to the carrier are not reported by the Land Section in its report of aids, gifts, grants of right of way or donations, but appear on the assembly of streets, alleys and highways.

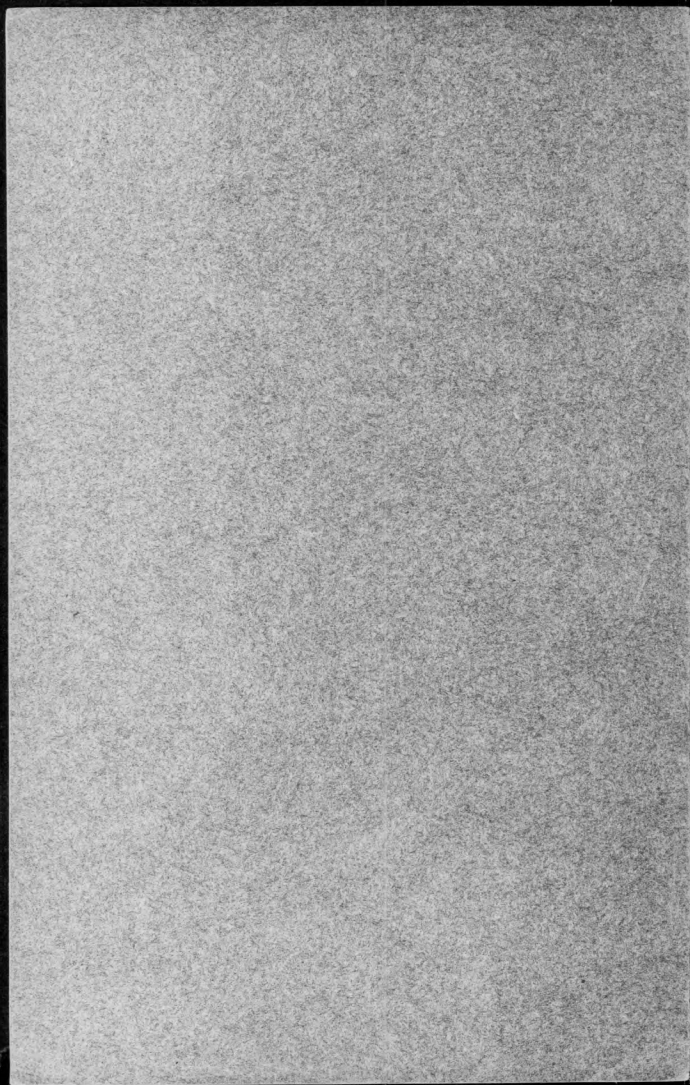
Date of
Valuation.

The valuation of the carrier was made as of June 30, 1914.

In the assembly sheets transmitted herewith I have endeavored to follow the classifications outlined by you, and the many valuable suggestions given by you from time to time have materially aided me in arranging the data.

Valuation Attorney.

MSH 21302



**END OF
TITLE**